

AN ORDINANCE **97292**

APPROVING A LOAN BY THE CITY TO CITY OF SAN ANTONIO, TEXAS, STARBRIGHT INDUSTRIAL DEVELOPMENT CORPORATION ("CORPORATION") IN AN AMOUNT NOT TO EXCEED \$160,000.00 TO ENABLE THE ACQUISITION OF APPROXIMATELY 200 ACRES OF LAND TO BE USED TO FULFILL OBLIGATIONS IN THE PREVIOUSLY APPROVED ECONOMIC DEVELOPMENT CONTRACT BETWEEN THE CORPORATION AND THE CITY, AND AUTHORIZING THE CITY MANAGER TO NEGOTIATE THE TERMS OF SUCH LOAN AND ANY DOCUMENTS FOR SUCH LOAN, AND APPROPRIATING FUNDS, AND AUTHORIZING OTHER ACTIONS, AS NECESSARY; EFFECTIVE IMMEDIATELY IF PASSED BY AT LEAST EIGHT (8) VOTES.

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WHEREAS, the City of San Antonio, Texas, Starbright Industrial Development Corporation (the "Corporation"), is an industrial development corporation formed pursuant to the Development Corporation Act of 1979, Texas Revised Civil Statutes Annotated, Article 5190.6, as amended (the "Act"), to aid and act on behalf of the City of San Antonio ("City") in commercial and industrial development; and

WHEREAS, the Board of Directors of the Corporation (the "Board") has deemed it necessary and desirable to take steps to acquire approximately 200 acres ("the Property"), as generally described at **Attachment 1**; and

WHEREAS, the acquisition of the Property is necessary to fulfill the terms and conditions of the Economic Development Contract between the City and the Corporation; and

WHEREAS, the City Council of the City of San Antonio finds that purchasing the land for an amount not to exceed \$1,300,000 plus additional closing costs in an amount not to exceed \$85,000 on the terms and conditions presented is reasonable and necessary; and

WHEREAS, the Corporation desires to obtain a loan or advance from the City of San Antonio in an amount up to \$160,000 to assist in the acquisition pending receipt by the Corporation of proceeds of the sale of securities; and

WHEREAS, the City Council finds the request is reasonable and necessary; and

WHEREAS, the City declares its intention to be reimbursed for capital expenditures at the time the Corporation issues securities to finance the project; **NOW, THEREFORE**,

BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF SAN ANTONIO:

SECTION 1. The City Manager is authorized to take necessary actions to assist the Corporation's efforts to acquire the Property which consists of approximately 200 acres for an amount not to exceed \$1,300,000 plus closing costs in an amount not to exceed \$85,000.

SECTION 2. The City Manager is authorized and directed to negotiate the final terms of the financial agreement with the Corporation to loan up to \$160,000 to be applied to the purchase price of the Property and closing costs.

SECTION 3. The amount of \$160,000.00 is appropriated and is authorized to be encumbered and made payable to the City of San Antonio, Texas Starbright Industrial Development Corporation.

SECTION 4. The Director of Finance is authorized to take all action necessary to appropriate and encumber the necessary funds to carry out the purpose of this ordinance when specific funds and index codes are identified.

SECTION 5. Amounts will be transferred from available funding sources to be identified and assigned.

SECTION 6. The Director of Finance is authorized to record and account for the loan in accordance with Generally Accepted Accounting Principles (GAAP) and all applicable laws.

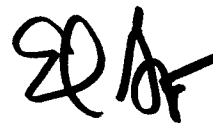
SECTION 7. This Ordinance is a declaration of the City's official intent to receive repayment of the loan from proceeds derived from the sale of Obligations to be sold by the Corporation.

SECTION 8. This Ordinance is also a declaration of the City's official intent to be reimbursed from proceeds derived from the sale of Obligations to be sold by the Corporation.

SECTION 9. The financial allocations in this Ordinance are subject to approval by the Director of Finance, City of San Antonio. The Director of Finance, may subject to concurrence by the City Manager or the City Manager's designee, correct allocation to specific index codes and fund numbers as necessary to carry out the purpose of this Ordinance.

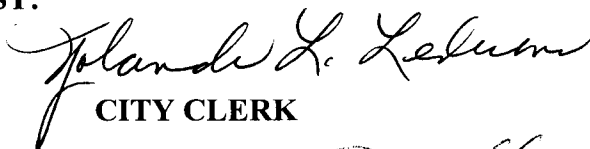
SECTION 10. This ordinance shall be immediately effective if passed by at least eight votes. Otherwise, it shall be effective on March 16, 2003.

PASSED AND APPROVED this 6th Day of March, 2003.

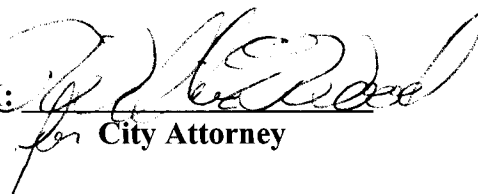


M A Y O R

ATTEST:


CITY CLERK

APPROVED AS TO FORM:


for City Attorney